

FREQUENTLY ASKED QUESTIONS

1. What are the properties that are potentially subject to this review?

All of the properties are listed by address and block and lot number in Appendix B of the draft Preliminary Investigation Report. There is also a boundary map which shows the properties.

2. Why is the City considering declaring these groups of properties an area in need of redeveloping?

Most all of the properties in this area are already in a redevelopment zone, however that designation was made many years ago (some go back to the 1980's) and the City is attempting to consolidate these designated areas into one area and update the plan for the area. All of the properties are in the Brownfields Development Area ("BDA") that was approved by NJDEP in 2006. Most of the actual "brownfields" properties in the area have been studied and/or cleaned up from an environmental standpoint through the BDA program. The City would like to position this area now for the next step, which is greater value for the existing business and/or attracting new commercial facilities or businesses.

3. Why is the City having the Planning Board conduct a public hearing and why is this process being followed in general?

The process is governed by a State law known as the "New Jersey Local Redevelopment and Housing Law" P.L. 1992, c. 79(C 40A:12A-1 et. seq.). The process set forth in this law, including the role of the Planning Board, the role of the City Council, the timing of the notices and the wording of the notices are all strictly governed by this law which the City must follow if it wishes to consider declaring the area in need of redevelopment.

4. What benefits may result if the City does proceed and designate the area in need of redevelopment?

There are many benefits and "tools" that the City can utilize to help existing businesses in the area grow and/or attract new businesses if the designation is approved. As a designated area in need of redevelopment businesses expanding or locating in the area who hire a certain minimum number of

employees are eligible for the maximum amount of grant funding and other financial incentives under the State program known as “Grow New Jersey”. Additionally the designation allows businesses expanding or locating in the zone to receive tax incentives. The designation also gives the City broad powers to attack blighted properties in the area. These powers include the power of eminent domain, also called condemnation.

5. *What is condemnation?*

Condemnation, also known as eminent domain, is the power of a governmental authority to acquire real property through a court process where the owner of a property receives fair market value payment in full for the property. There are many safeguards built into the process to protect property owners and ensure they receive all proper compensation. These include certified appraisals by a company chosen by the governmental authority and also by the property owner, being considered by the Court. It also includes the appointment of “commissioners”, a group of citizens from the area who also comment on the valuation issue if there is a dispute.

6. *Is Salem City planning on taking any property in this area through condemnation?*

No, there are no present plans to take any property in this area through condemnation or otherwise. As indicated in 1. Above, most all of these properties are already in a designated redevelopment zone and therefore for many years the City has arguably had the power of condemnation, but has never used it. Since those designations were made years ago, the law has changed and when a municipality declares a new redevelopment zone or updates an old one, the notices must include very specific language about the power of eminent domain being included. The City does not want to forfeit the power of eminent domain for this area in case future development potential that would benefit us all requires utilization of this power.

7. *What is the cost of this updated redevelopment plan to the City taxpayers?*

There is no cost because it is being done using our existing professionals, volunteers on our BDA Steering Committee, and assistance from professional planners of the New Jersey Department of Community Affairs, Office of Local Planning Services (“LPS”).